

Committee(s)	Dated:
Local Plans Sub (Planning and Transportation) Committee	22 nd September 2017
Subject: City of London Local Plan Review: Draft City Plan 2036	Public
Report of: Carolyn Dwyer, Director of the Built Environment	For Decision
Report author: Adrian Roche, Department of the Built Environment	

Summary

Work commenced on a review of the adopted City of London Local Plan in early 2016. Public consultation took place on Issues and Options, the first stage of the review process, in the autumn of 2016 and the results of that consultation were reported to the Grand Committee earlier this year. Work is now underway on the preparation of a full Draft Local Plan for public consultation early next year. This report updates Members on progress with the Local Plan review and seeks to agree the nature and timing of the Sub-Committee's involvement in the policy drafting process. It also seeks the Sub-Committee's views on the structure of the Draft Plan, the areas which should be subject to spatial policies and on the key policy directions for the new Plan.

Recommendations

Members are recommended to:

- Note the contents of this report and appendices; and
- Advise on the questions and proposals set out in appendices 1-4 to inform the preparation of the Draft City Plan 2036.

Main Report

Background and progress to date

1. The Local Plan sets out the City Corporation's vision, objectives and policies for planning the City of London. It is accompanied by a Policies Map, in two parts, which shows where its policies apply to specific locations. The Local Plan has to be consistent with national policy and in general conformity with the London Plan prepared by the Mayor of London.
2. The current City Local Plan was adopted in January 2015 and plans for development requirements up to 2026. In October 2015, the Planning and Transportation Committee approved in principle the commencement of work on a full review of the adopted Local Plan, which will look forward to 2036. The new Local Plan will be known as The City Plan 2036.

3. Meetings of this Sub-Committee were held in March and June 2016 to identify the key issues for the Local Plan review and to consider the contents of the Issues and Options, the first formal stage of the review process. The Issues and Options document was subsequently approved by the Grand Committee in July 2016 and was published for public consultation between September and December 2016. The outcome of that consultation was reported to the Grand Committee in March 2017.
4. During the spring and summer of 2017, the evidence gathering process for the new Plan has continued. This has included commissioning an update of the City's Strategic Flood Risk Assessment and a new Retail Needs Study. A range of informal consultation has taken place during this period, including workshops with staff from across the City Corporation in order to ensure the new Plan is consistent with other corporate initiatives. Officers in the Development Plans team have met their counterparts in each of the neighbouring boroughs to discuss strategic and cross-boundary issues, and with key statutory agencies to obtain their views on issues to be addressed in the new Plan. A meeting was also held with employees from City businesses, such as facilities managers, that are interested in planning issues.

Preparation of the Draft City Plan 2036

5. The next stage of the Local Plan review is to prepare a full Draft Plan for public consultation. Responses to that consultation will help to inform the preparation of a revised Plan, which will be published for a third and final statutory consultation before being submitted to the Secretary of State for independent examination.
6. The impending preparation of the Draft Plan is a key stage in the Local Plan review process because it is the point at which the City Corporation sets out in detail the policies it considers to be appropriate over the new Plan period.

Local Plan process and role of the Sub-Committee

7. The terms of reference of the Sub-Committee are simply to consider documents such as the Local Plan in detail and to make recommendations to the Grand Committee. It would therefore be helpful to agree on the precise level of scrutiny that the Sub-Committee wishes to give to the Draft City Plan 2036 prior to consideration by the Grand Committee, as this will affect the timetable and the subsequent schedule of Sub-Committee meetings. Attached to this report at [Appendix 1](#) is a paper relating to the process and timetable.

Structure of the Draft City Plan 2036

8. Attached to this report at [Appendix 2](#) is a paper which sets out the proposed structure of the new Plan and how this relates to the draft Corporate Plan.

Spatial policies

9. The current Local Plan identifies five areas of the City that are subject to specific spatial policies because they are areas of significant change. The paper at Appendix 3 of this report seeks agreement to the areas which should be subject to spatial policies in the new Plan.

Key policy issues

10. Attached at Appendix 4 of this report is a paper which summarises in broad terms the potential policy approaches which could be taken in relation to office development and the protection of offices.
11. At the next meeting of the Sub-Committee on 6th October, further papers will be presented on other key policy issues for the City:
 - Culture;
 - Housing;
 - Movement;
 - Sustainability and greening;
 - Smart City and utilities; and
 - Resilience
12. The views expressed by the Sub-Committee will be used to help inform the development of detailed policies on these topics. Members are invited to indicate if they would like to consider briefing papers on any other topics which are not included in the above list.

Next steps

13. The views expressed by the Sub-Committee will assist with shaping the policy direction of the Draft City Plan 2036. Officers will report back to further meetings of the Sub-Committee later in the autumn with the proposed vision, objectives and detailed policies for the Draft Plan. The number and timing of the subsequent meetings will be partly dependent on the Sub-Committee's discussion of the procedural matters raised at Appendix 1 of this report.
14. The full Draft City Plan 2036 will then be reported to the Grand Committee and to the Policy and Resources Committee for approval to publish for consultation in early 2018.

Corporate and Strategic Implications

15. The review of the Local Plan is being informed by the emerging draft Corporate Plan, as set out in this report, and will provide an opportunity to complement key corporate objectives, such as developing Culture Mile and progressing the Future City agenda.

Implications

16. The costs of preparing and consulting upon the Draft City Plan 2036 will be met from existing staff resources and the Department's Local Risk Budget. The further preparation of the Plan beyond the Draft Plan stage, including the Public Examination, may require additional financial resources. This will be addressed in future reports to the Sub-Committee and Grand Committee.
17. Production of the Draft Plan will be supported by the production of an Integrated Impact Assessment (IIA). An IIA combines a number of assessment processes into a single document:
 - Sustainability Appraisal, including a Strategic Environmental Assessment and a Habitats Regulation Assessment;
 - Equalities Impact Assessment; and
 - Health Impact Assessment.
18. The IIA is an integral part of the plan making process and will help inform the detailed policies. A Draft IIA report will be produced to support the Draft City Plan 2036.

Appendices

- Appendix 1 – paper on Local Plan process and role of the Sub-Committee
- Appendix 2 – paper on the structure of the Draft City Plan 2036
- Appendix 3 – paper on spatial policies
- Appendix 4 – paper on key policy issues

Adrian Roche

Development Plans Team Leader

T: 020 7332 1846

E: adrian.roche@cityoflondon.gov.uk

Appendix 1: Local Plan review process and role of the Sub-Committee

1. The timetable for the Local Plan review is set out in the Local Development Scheme (LDS), which outlines the content of planning policy documents and the programme for preparing or reviewing them. The LDS is reviewed regularly to keep it up to date and the latest version was approved by the Grand Committee in June 2017. The proposed timetable for the Local Plan review, as set out in the current LDS, is reproduced in the table below:

Stage of Plan	Dates
Issues and Options: Public consultation on key issues to be addressed and emerging options	September-December 2016
Draft Local Plan: A full draft of the Plan will be issued for public consultation	December 2017-February 2018
Publication: A revised Plan will be published for final public consultation	September-October 2018
Submission: The Local Plan, together with the representations received, are submitted to the Secretary of State who then appoints an independent Planning Inspector	December 2018
Examination: The Inspector considers the Plan and the representations made, including through public session(s) to hear evidence about the key issues	December 2018-June 2019
Adoption: The Inspector's recommendations are considered by the City Corporation and the Plan is adopted	December 2019

Local Plan Review timetable (source: LDS 2017)

2. Officers now consider that it would be appropriate to adjust the timetable slightly by commencing consultation on the Draft Local Plan in early 2018 rather than in December 2017. Work on the City's Draft Plan is taking place at the same time that the London Plan is being reviewed, with a draft version of the next London Plan expected to be published for consultation in either November or December 2017. This minor adjustment to the timetable would have the significant benefit of enabling us to take account of the Draft London Plan when finalising the Draft City Plan 2036. It would also avoid consulting over the Christmas period, and the effect on the overall timetable is expected to be relatively minor.
3. In order to commence consultation on the Draft Local Plan in early 2018, it will be necessary for this Sub-Committee to complete its scrutiny of the emerging policies before the end of the year and for the Plan to be approved by the Grand Committee in either January or February 2018. At present there is one further meeting of the Sub-Committee programmed for Friday 6th October. Additional meetings will be needed, but the schedule of meetings is dependent on the level of scrutiny exercised by the Sub-Committee.
4. As mentioned in the covering report, the terms of reference do not specifically stipulate how the Sub-Committee should approach this task, other than to consider the Local Plan in detail and make recommendations to the Grand Committee. There are three broad approaches that the Sub-Committee could take:

- To make recommendations on the policy direction for each part of the Draft Plan but not to consider the detailed wording; or
- To consider the detailed wording of all of the policies in the Draft Plan but not the supporting text; or
- To consider the detailed wording of all of the policies and the supporting text to those policies.

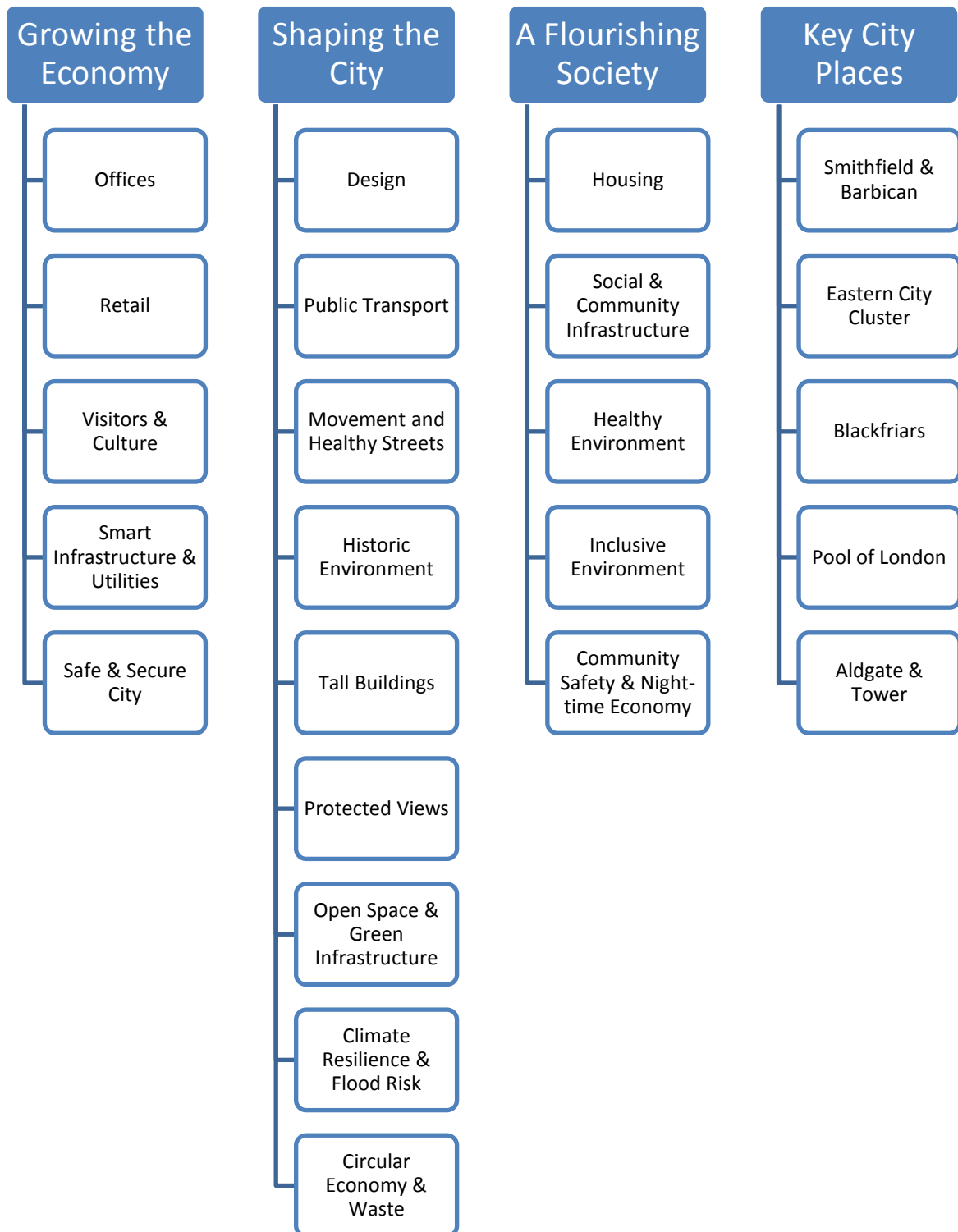
5. The Sub-Committee is asked to express a view on which of these approaches it would prefer to adopt. Officers will then tailor a schedule of meetings accordingly, in consultation with the Chairman. If the Sub-Committee wishes to consider the detailed wording of the emerging policies, this is likely to entail the need for a series of additional meetings to be arranged during November and December. On the other hand, it should reduce the need for detailed consideration at the Grand Committee.

Appendix 2: Structure of the Draft City Plan 2036

1. The current Local Plan is structured around the following five themes:
 - A World Financial and Business Centre;
 - Key City Places;
 - City Culture and Heritage;
 - Environmental Sustainability; and
 - City Communities.
2. These themes were originally identified in the City's 2011 Core Strategy and were influenced by themes within The City Together Strategy. Each of the five themes has a separate vision and strategic objective, followed by a suite of policies. However, the City Together Strategy has not been updated and the legal framework that required local authorities to prepare a community strategy has been repealed. The strategic framework for the City Corporation's various activities is now being set out within the evolving Corporate Plan.
3. The Sub-Committee will be aware that a new Corporate Plan is being prepared for the period 2018-2023, and a draft version has recently been agreed by Summit Group. The final version is due to be agreed by Members early next year. The Draft Corporate Plan 2018-23 identifies three strategic objectives:
 - Grow the Economy;
 - Shape the City of the Future; and
 - Contribute to a Flourishing Society.
4. Although the Corporate Plan has a shorter time horizon than the Local Plan, the emerging Corporate Plan aims to be visionary and forward-looking. Officers consider that the structure of the Local Plan should be based upon the Corporate Plan in order to ensure that spatial planning is integrated as far as possible with wider corporate strategies and ambitions.
5. The diagram below illustrates the initial thoughts of officers on a proposed structure for the new Local Plan. This incorporates the three strategic objectives from the emerging Corporate Plan as broad themes within which the individual policy topics would be grouped. A fourth theme of Key City Places has been added to provide a framework for the area-specific policies within the Local Plan. It is proposed that this structure would replace the five themes set out in the current Local Plan. The policy topics are shown diagrammatically and are not intended to represent any form of hierarchy.

Spatial Strategy, Vision and Strategic Objectives

- [Link to Draft Corporate Plan \(2018-23\)](#)
- [Link to the three strategic objectives *Grow the Economy, Shaping the City of the Future* and *Contribute to a flourishing Society*](#)



6. This proposed structure would involve some of the policy topics sitting under different themes compared to the current Local Plan. For instance, it is proposed to incorporate policies relating to retailing and visitors and culture within the growing the economy theme in recognition of their increasing importance to the City's economy. In practice, many of the policy topics are inter-related and will overlap a number of the broad themes. The Local Plan should always be read as a whole whatever structure is adopted.
7. Members will note that some of the policy topics are either new or are re-named within the above diagram, compared to the current Local Plan. This is to ensure that the new Local Plan fully addresses issues which are high on the City Corporation's agenda and/or have emerged as areas of concern in the consultation undertaken so far, such as the health and wellbeing agenda, the role and impact of the night-time economy and the need for additional open space and greenery as the City's built development intensifies.
8. The Sub-Committee is asked to advise whether it agrees with the structure of the new Local Plan being linked to the Corporate Plan, and whether it has any specific comments or suggestions on the grouping or naming of the policy topics shown in Figure 1 above.

Appendix 3: Spatial policies

1. The following five Key City Places (KCPs) were identified in the City's Core Strategy, and subsequently in the Local Plan, as areas of significant change. The changes identified include major infrastructure and highway improvements as well as development opportunities. The KCPs are shown indicatively within the adopted Local Plan, rather than having specific boundaries on the Policies Map:
 - The North of the City;
 - Cheapside and St Paul's;
 - Eastern Cluster;
 - Aldgate; and
 - Thames and the Riverside.
2. The policies for these areas have been used to help protect and promote them and are used across the City Corporation. However, many of the changes originally anticipated have now occurred, or will be completed by the time the new Local Plan is adopted.
3. It is therefore necessary to decide whether or not the existing KCPs remain relevant in the period covered by the next Local Plan, and whether there are any new areas that should be identified. A further issue is whether we should continue to focus only on areas where significant change is expected, or whether all parts of the City should be covered by some form of spatial policy in a similar manner to the Area Enhancement Strategies prepared by City Public Realm.

Overall purpose of KCPs

4. The Local Plan Issues and Options consultation in autumn 2016 sought views on whether the concept of KCPs should be retained in the new Plan. The need for place-based policies was supported by key stakeholders such as the GLA, the City Property Association and Historic England, with no-one suggesting that they be removed from the next Plan.
5. Officers consider that place-based policies should be retained in the Local Plan as they help to draw attention to the fact that these areas are likely to experience significant change over the Plan period. They also provide a strategic context for the development of detailed projects and funding bids by a range of City Corporation departments and external partners.
6. There was no clear outcome to the Issues and Options consultation in terms of whether or not the focus should remain on areas of significant change, and on whether KCPs should be renamed as Areas of Change. There was also a difference of opinion between those respondents who felt that the areas should be defined with precise boundaries on a map, and those who felt that they need to be sufficiently flexible to be able to reflect and respond to market and economic changes.

7. Officers consider that it would be preferable to continue to focus attention only on the main areas of change. If place-based policies were to be prepared for each area of the City, this might reduce the overall effectiveness of the Plan as it could dilute the ability of these policies to assist with the prioritisation of investment decisions. It may be helpful, however, to rename the KCP's as Key Areas of Change to better reflect their purpose.
8. Denoting these areas on the Policies Map would provide greater clarity for users of the Plan, but would also reduce flexibility and could lead to arguments about whether specific sites on the edge of these areas should or should not be included within them. On balance, officers feel that it is preferable to continue to denote them indicatively on the Key Diagram.
9. There is some duplication and overlap between the current KCP policies and other policies within the Local Plan. Officers feel that the place-based policies in the new Local Plan should more clearly focus on strategic and measurable objectives, such as delivering development, improved public access or new uses or mixes of uses, rather than repeating policy approaches which are covered elsewhere in the Plan.

The North of the City

10. This area was identified as a KCP in the current Local Plan to focus on changes to the area as a result of the construction and opening of Crossrail. By the time the new Local Plan is adopted, Crossrail will be open as the Elizabeth Line and much of the associated development and public realm enhancement will be complete. Officers consider that there will no longer be a need for a single KCP covering the North of the City.
11. At the Issues and Options consultation, there was general support for replacing the North of the City with a KCP relating specifically to the Cultural Hub (now renamed Culture Mile), and some support for identifying the Liverpool Street/Broadgate area as a separate KCP.
12. The delivery of Culture Mile is a corporate priority, which needs to be reflected in the next Local Plan. Some Citywide policies may need specific interpretation or a different approach within this area. Alongside delivery of Culture Mile, there are significant planning issues including the amenity of the City's largest residential population at the Barbican and Golden Lane, and maintaining the operational efficiency of St Bartholomew's Hospital and Smithfield Market. It is therefore proposed that this Key City Place should be named as the Smithfield and Barbican area in the Local Plan to reflect the wider spatial context within which Culture Mile will be delivered.
13. There may be some merits in identifying the Liverpool Street/Broadgate area as a KCP in view of the intensification taking place in this area and the potential for linkages with Tech City area around Shoreditch and Old Street. On the other hand, most of the proposed developments in the area have either already gone through the planning process or are likely to have done so

by the time the new Plan is adopted. On balance, officers have not included it within the suggested new KCPs shown in the map below.

Cheapside and St Paul's

14. The existing KCP covers an area stretching from Paternoster Square in the west to the Royal Exchange in the east. Since the area was originally identified as a KCP in the emerging Core Strategy, several large developments and refurbishments have been completed, most notably One New Change. The public realm in Cheapside has also been improved in recent years to make the environment more appealing for shoppers as well as safer for cyclists and pedestrians.
15. A majority of those who responded to the Issues and Options consultation felt that this KCP should be retained to reflect its distinctive character, although a few respondents considered there was no need to retain a specific policy as most of the changes have already occurred.
16. Officers consider that there is no need to retain this area as a KCP, but there is a need for the new Plan to recognise the landmark nodes of St Paul's and Bank Junction. The Local Plan should also put forward policies to promote the key north-south route linking the Barbican to the South Bank via St Paul's and the Millenium Bridge, with an emphasis on measures that will attract more visitors to venture northwards from St Paul's into Culture Mile.

Eastern Cluster

17. Large scale redevelopment and intensification is occurring in the Eastern Cluster and is likely to continue to do so well into the next decade. The area still has the potential to accommodate more development and jobs and has fewer constraints on the development of tall buildings than other parts of the City.
18. At the Issues and Options consultation, all respondents who commented on the Eastern Cluster accepted the need for this area to be identified in the new Plan but there were no specific requests for the current area to be modified. Comments were evenly divided between those who were broadly supportive of further intensification, and those who had concerns about this. However, there was clear support for public realm improvements and for new or improved pedestrian routes. Members will be aware that collective security measures and a new Area Enhancement Strategy are being developed for the Eastern City Cluster.
19. Officers consider that this area should continue to be the subject of place-based policies in the next Local Plan.

Aldgate

20. This KCP has seen significant redevelopment in recent years, and by the time the new Plan is adopted Aldgate Square will have been completed following

the removal of the former gyratory. However, there are still some important sites that are yet to come forward and the environment of parts of the area requires improvement. There is also a continuing need to improve the access of residents in this area to education, health, training and job opportunities relevant to their needs.

21. All of those who responded to the Issues and Options consultation on this point felt there was merit in retaining this area as a KCP, with some support for extending it to become a wider East of City area. Officers agree that it should be retained, and feel there is a case for extending it southwards to reflect the desirability of an improved pedestrian route between Aldgate and the Tower as well as the potential for beneficial redevelopment around Tower Gateway.

Thames and the Riverside

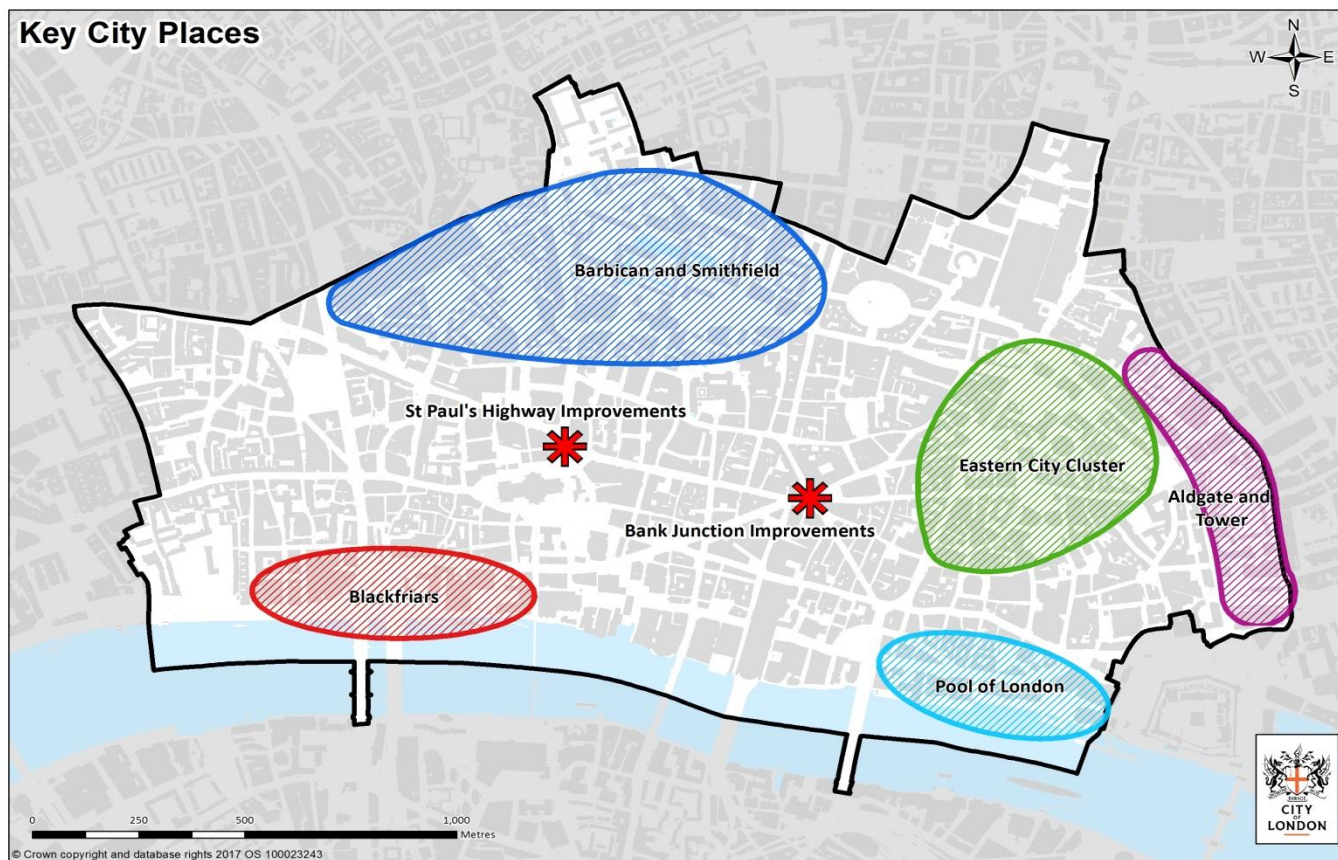
22. The London Plan requires the City 's Local Plan to include a Thames Policy Area, but this does not necessarily need to be in the form of a KCP. The current KCP covers the length of the City's riverside and also extends inwards to a significant degree at either end. It therefore includes areas where very limited change is likely to occur, such as The Temples, as well as areas where there is potential for extensive redevelopment.
23. At the Issues and Options consultation, the focus of the comments received was on promoting a wider mix of uses to enhance the vibrancy of the riverside, and on making greater use of the river for transport purposes.
24. In line with the approach taken to other KCPs, officers consider that there would be merit in replacing the existing single Thames and the Riverside KCP with two individual KCPs focused on the stretches of the riverside where changes are desirable and where there is potential for redevelopment and enhancement of existing buildings and public realm during the Plan period.
25. Accordingly, it is proposed that the areas to the east of Blackfriars and between London Bridge and Tower Bridge (the Pool of London) are identified as KCPs in order to help promote beneficial change to buildings and the public realm and to introduce more vibrancy along the riverfront. The Local Plan could provide a framework for more detailed masterplans or planning briefs to be brought forward for these areas.

Other areas

26. A few respondents to the Issues and Options consultation commented on the need for a particular policy focus on the western part of the City, with reference for example to the area between Fleet Street, Chancery Lane, Holborn Viaduct/Holborn and Farringdon Street. While the desire for a greater policy focus on the west of the City is acknowledged, the nature of the heritage and views constraints in this part of the City mean that it is unlikely to experience the type of change that would warrant KCP designation.

Summary

27. A summary of the officers' suggestions is illustrated on the map below and set out in the table beneath the map. The Sub-Committee is asked to indicate whether it agrees that these are the areas which should be subject to place-based policies in the Draft City Plan 2036, and for each of the areas shown whether the diagrammatic representation is appropriate.
28. Members should note that the fact that a particular location does not sit within a KCP (or Key Area of Change) does not preclude it from being the subject of some form of spatial policy in the new Plan. For instance, the policies relating to movement and the public realm will need to reflect key projects, such as the potential permanent Bank Junction safety scheme. There will continue to be significant infrastructure improvements and ongoing development across the City as opportunities arise.



Current KCPs	Proposed KCPs (or Key Areas of Change)
The North of the City	Smithfield and Barbican (Culture Mile)
Cheapside and St Paul's	
Eastern Cluster	Eastern City Cluster
Aldgate	Aldgate and Tower
Thames and the Riverside	Blackfriars Pool of London

Appendix 4: Key policy issues – Office development and protection of offices

1. This paper summarises the potential policy approaches which could be taken in relation to office development and the protection of offices. Further papers will be presented to the next Sub-Committee meeting on a range of other topics, as set out in the covering report.

Context

2. To maintain its role as the world's leading financial and business centre, the City needs to ensure a good supply of high quality office accommodation to meet the needs of commercial occupiers. Notwithstanding uncertainties about the terms of the UK's departure from the EU, recent GLA London wide employment projections and the 2017 London Office Policy Review forecast significant employment growth in central London. Total City employment is forecast to increase from 505,000 in 2016 to 575,000 by 2036, with office employment increasing from 400,000 in 2016 to 464,000 by 2036. This highlights the need for a continuing pipeline of new and refurbished office accommodation.
3. The nature of the City's office market is evolving, with a rapid increase in serviced offices and co-working providers, which offer more flexible workspace options and attract a more diverse range of occupiers including technology and media companies. The ways in which office buildings are being used is also changing, with traditional office hours being replaced by more agile working patterns and the emergence of a 24/7 City. This has increased demand for a range of shopping and leisure facilities which complement and support the City's primary business function.

Current policy position

4. The current Local Plan seeks to protect existing office floorspace and to provide 1,150,000 m² gross of additional floorspace during the period 2011-2026 to meet the needs of projected economic and employment growth. The aim is to provide office accommodation of the highest quality to meet demand from long-term employment growth and to strengthen the beneficial cluster of activities that underpin the City's success.
5. The assembly and development of large sites is encouraged where appropriate to meet the needs of the City's biggest occupiers, protecting potential large office sites from piecemeal development and resisting development that would jeopardise the future assembly and delivery of large scale sites.
6. There is also policy support for small and medium sized businesses by encouraging new accommodation suitable for SME's, flexible office designs and continued use of small and medium sized units that meet occupier need.
7. Policies CS1 and DM 1.1 provide strong policy protection for existing offices, resisting the loss of office accommodation to other uses where the building or

site is considered suitable for long-term viable office use and there are strong economic reasons why the loss would be inappropriate.

8. A mix of commercial uses within office developments is encouraged where they contribute to the City's economy and character, providing supporting services for its businesses, workers and residents.

Office development

9. The first strategic objective in the current Local Plan is to maintain the City's position as the world's leading international financial and business centre. This is consistent with the London Plan, which sets out amongst its strategic priorities in Policy 2.10 the need to sustain and enhance the City of London and the Isle of Dogs as strategically important, globally-oriented financial and business service centres.
10. The City's current Corporate Plan and the draft Corporate Plan for 2018-23 highlight the importance of the City as a strategic business centre and the Corporation's ambition that the City should remain the world's pre-eminent financial and professional services centre going forward. Meeting this objective will require offices to remain the principle land use and there will be a continuing need to ensure that a good supply of high quality office accommodation is available to meet the needs of commercial occupiers.
11. It is understood that the forthcoming London Plan will not include borough level employment projections, but will include employment and office floorspace projections at broad spatial levels such as the Central Activities Zone (CAZ). Nonetheless, the GLA's underlying evidence base envisages a significant long-term net increase in the City's employment and its office stock, which will be factored into the assumptions about the future capacity of the CAZ.
12. The 2017 London Office Policy Review notes that the "*centre of gravity of office development activity in terms both of volume, scheme size and additions to stock remains in the City and Docklands, with the peripheral areas also becoming important as the sites of new 'mega schemes'*". It sets out a range of office floorspace growth projections for the City and the London boroughs based on various economic growth scenarios and other factors such as workplace densities and homeworking, which will need to be considered in preparing detailed floorspace targets in the new Local Plan.
13. The amount of office floorspace required in the City up to 2036 is an issue that we will return to when the draft office policies are presented to a future meeting of this Sub-Committee. At this stage, the Sub-Committee is asked to confirm that the Plan should continue to make provision for significant office floorspace growth to keep pace with projected employment growth and provide capacity for future economic growth. The Sub-Committee is also asked to draw attention to any particular points that Members would like officers to take into account when drafting the relevant policies.

14. As mentioned in paragraph 3 above, the nature of the City's office market is evolving as a result of changing workstyles in general, together with diversification of the occupier base and new forms of workspace provision. The City has a long tradition of adaptation and renewal, and its office stock needs to be able to reflect changing market trends to compete successfully against other global business centres.
15. There was clear support at the Issues and Options consultation for greater flexibility in office floorspace, and officers consider that the emphasis should be on flexible and high quality design and layout which enables easy sub-division or amalgamation as required. There may still be a need for some large floorplate buildings, but also for accommodation that meets the needs of SME businesses, incubator, accelerator and co-working space.
16. Different types of building will be attractive to different occupiers, and as the City diversifies it is important to ensure that a choice of accommodation is available, including smaller units in historic buildings as well as modern Grade-A floorspace.
17. The Sub-Committee is asked to indicate if it agrees that the office policies in the new Plan should make provision for a mix of types of office space in a range of locations to meet a range of occupier needs, and to draw attention to any particular points that should be taken into account when drafting the relevant policies.

Protection of offices

18. The current Local Plan policies provide strong policy protection for the City's existing office stock. Members will also be aware that the City was granted an exemption from national permitted development rights which allow the change of use of offices to housing without the need for planning permission. The exemption reflects its role as an office centre of strategic importance to the UK economy and runs until May 2019. The intention is that an 'Article 4 Direction will be introduced in the City to permanently remove this permitted development right after May 2019.
19. A key strategic question is whether the new Plan should continue to provide strong policy protection for existing offices. If so, should this policy approach continue to apply to the whole City or are there any areas where a different approach should be taken? If the policies protecting existing office stock were to be relaxed in certain parts of the City, this would be likely to reduce the justification for the introduction of a Citywide Article 4 Direction.
20. It is difficult to assess the specific impact of current policies to resist the loss of office accommodation as the office market in recent years has been buoyant and growing. There has been some loss of office floorspace, principally to hotels and, to a lesser extent housing. There has also been a loss at ground floor and below ground floor level to retail and leisure use which has provided animation to the City streets, but is also increasingly sought by developers in place of single use office buildings.

21. In terms of loss of stock, between 1st April 2011 and 31st March 2017, there was a net loss of office floorspace of 99,600 m², primarily to hotel or housing use. None of these losses has occurred in the Eastern Cluster. However, this must be seen in the context of 1,400,000 m² of office floorspace currently under construction, with a further 230,000 m² permitted but not commenced and 420,000 m² approved subject to signing of a s106 agreement. Losses of office floorspace to other uses will therefore be significantly exceeded over the remaining period of the Local Plan by additional office floorspace.
22. The Sub-Committee is invited to comment on whether it considers that there should be any change in the policy approach of office protection, either to consider tighter restrictions on office loss or allow a greater mix of uses in all or parts of the City.
23. Where permission has been granted for change of use from offices to other uses, this decision is normally based on the fact that office use has been found to be unviable, especially where the existing accommodation is outdated and requires significant refurbishment or redevelopment. The current policy requires robust evidence to be provided to demonstrate that the site would not be suitable for long-term viable office use. Other factors that are taken into account may relate to the benefits to the business City offered by the new use, or to environmental improvements such as the retention and enhancement of heritage assets. Although viability appraisals can be a useful tool in highlighting potential longer term issues, there is a danger that they are seen as providing a yes/no answer to the loss of office stock. Placing undue reliance on viability may detract from other important planning considerations.
24. The Sub-Committee is asked to comment on whether it is content with the existing approach, or whether it would like to consider alternatives such as defining specific areas on the Policies Map where change of use would or would not be acceptable in principle.
25. It is important to recognise that a modern business city requires a range of supporting activities and services such as retailing, leisure, education and health facilities. Such uses have become common in office-led developments in the City, particularly with a mix of complementary uses, such as retail and leisure units on the ground floor.
26. The Sub-Committee is asked to indicate whether the new Plan should facilitate the trend towards mixed uses and greater vibrancy and animation of the City's streets, for instance by removing the requirement to justify loss of office stock where this relates to complementary commercial uses at ground and below ground levels.